
The Power of Savings



Jade Shipman
Director of Research & Innovation
Financial Empowerment Summit
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EARN provides savings programs for low-income households nationwide.

EARN is a national nonprofit with a mission to create prosperity for working families by helping them save and invest in their futures.



EARN Saver Carla and son Sebastian

America has a savings problem across all income categories

40%

of Americans have little to no savings to fall back on in the event of a job loss or other emergency ¹



75%

of households in the US do not have enough savings to cover three months of expenses without income ¹



¹ Pew, Jan 29, 2015: The Precarious State of Family Balance Sheets

For low-income households, lack of savings is an acute threat



On average, low-income families
have enough money
on-hand to survive
just 9 days

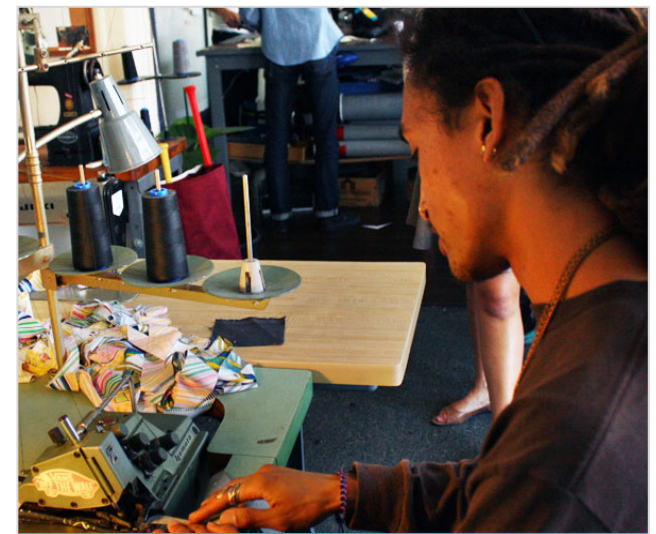
Low-income families WANT to save, and with diligence & support, they CAN save!



EDUCATION:
EARN Saver Hugo & son Ricardo



A FIRST HOME:
EARN Saver Helena & daughter



STARTING A SMALL BUSINESS:
EARN Saver Julian

Since 2001, 6,000+ EARN families have saved \$6.8 million of their own money for their important life goals.

Who is EARN serving?

\$21,100 Average annual household income at enrollment for all EARN Savers

90% Self-identify as a person of color

75% Women

73% Parents

Source: Source: EARN Business Intelligence (IDA Saver Study: EARN Tripleboost Dashboard, data for Jan-Dec, 2013, and EARN Innovation Symposium Scaling Savings)

What happens when people start to save?

In the short term...



NEW BEHAVIORS

To save, people become aware of where their money is going and start to budget. The savings habit sticks: of EARN Savers, **83% continue to save** after program end.



EMPOWERMENT

80% of EARN Savers report an **increase in confidence** and self-esteem. They also report more future orientation toward their goals.

In the longer term, with savings...



FINANCIAL STABILITY

Saving allows people to weather financial storms: **92%** of EARN Savers have a strategy for handling a financial emergency at program end (vs. 42% before)



ECONOMIC MOBILITY

Saving allows investment in assets & children: a Pew study found that **71%** of children of high-saving, low-income parents move out of the bottom income quartile.¹

Sources: (1) Stuart Butler, William Beach, and Paul Winfree, "Pathways to Economic Mobility: Key Indicators," Pew Charitable Trusts, 2008.

*In short, with savings,
people have
greater stability &
achieve their dreams*

*Q: So... How can we best serve working
families & encourage them to save?*

*EARN's answer: Offer flexible programming
that meets folks where they are.*

Program History



Pilot year in 2014

Full roll-out in 2015

Designed from the ground-up based on EARN's research

Created to be an approachable “entryway” into savings for folks who have never saved before.

- **Program length is 6-months**
- **\$20/month** minimum savings goal to earn rewards
- Earn up to **\$60 in cash incentives** for saving

Program is non-intimidating, yet early research indicates it effectively kick-starts the savings habit: 80% of pilot participants were still saving 6 months after program end.

Program Overview



- Savers apply & customize their experience:
Set their own monthly “stretch” goal (\$20-60/mo) and enter their reason for saving to stay motivated!
- Accommodates consumer choice:
Savers link a savings account from any bank or credit union
- Online savings program:
Savers use EARN’s platform to view savings progress, rewards earned, and financial education content
- Earn Cash Rewards:
Earn up to \$10 every month \$20 min is saved
- After 6 months:
Rewards are paid to the Saver & they can opt in for another 6 months of saving w/out rewards!

Welcome back!

Wednesday, July 1, 2015

STATUS: Deposit made this period!



Make your **next** deposit between
JUL 6 and AUG 5
to receive your bonus [learn more](#)

[Deposit Now at your bank](#)

[more info](#)



RAINY DAY FUND

Linked to: Bank of America
Savings account ending in: 1451

Account Started: May 5, 2015
Goal Completion Date: November 5, 2015

Personal Monthly Goal Amount: \$50
Total Personal Goal Amount: \$300

CURRENT MONTH

Month 2 of 6: **JUN 6 - JUL 5**



\$70 saved!
WOW! You saved more than your goal. Great job!



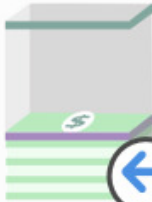
- ✓ \$20 Minimum Deposit Met!
- ✗ \$50 Personal Goal Not Met
- 👏 \$5 Deposit Reward earned [learn more](#)
- ✓ \$50 Personal Goal Met!
- 👏 \$5 Deposit Reward earned [learn more](#)
- ✓ \$5 Consistency Reward earned [learn more](#)

Please Note: Withdrawals are against program rules.
[View this month's transactions](#)

Month 1 of 6: **MAY 5 - JUN 4**



\$20 saved!
Aim for your goal of \$50 next month!



- ✓ \$20 Minimum Deposit Met!
- ✗ \$50 Personal Goal Not Met
- 👏 \$5 Deposit Reward earned [learn more](#)

Please Note: Withdrawals are against program rules.
[View this month's transactions](#)

Month 3 of 6: **JUL 6 - AUG 5**



- ✓ \$20 Minimum Deposit Met!
- ✗ \$50 Personal Goal Not Met
- 👏 \$5 Deposit Reward earned [learn more](#)
- ✓ \$50 Personal Goal Met!
- 👏 \$5 Deposit Reward earned [learn more](#)
- ✓ \$5 Consistency Reward earned [learn more](#)

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AMOUNT SAVED TO DATE

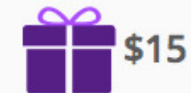
Goal
\$300



Saved
\$105.12

[View all transactions](#)

REWARDS EARNED



\$15
[View rewards earned](#)

FINANCIAL EDUCATION VIDEOS



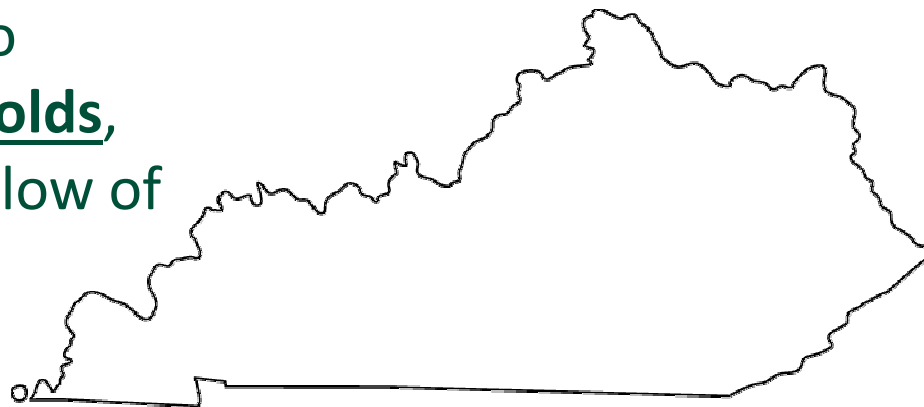
[Check out these videos!](#)



Do you have a question? Read the [Program Rules](#), see the [FAQ](#) page or [Contact Us](#).

The NEED in Louisville

The Louisville MSA is home to **130,000 low-income households**, defined as earning 80% or below of the Area Median Income.¹



EARN's research indicates that...

20,000+ low-income households in the Louisville area would be **highly motivated** to sign up for the **EARN Starter Savings Program**.²

¹ Data from U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

² EARN Survey of Low-Income Adults Nationwide, October 2015

EARN's Commitment

We are committed to serving
2,500 low-income households in **2016**
with the **EARN Starter Savings Program.**

We will be ramping up that number in subsequent years.

We are actively recruiting **partners** who would like their clients to have access to the program to kick-start a **habit of saving.**



Thank you!



Jade Shipman

Director of Research & Innovation

jade@earn.org

415-230-0908